

Message Text

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ACTION ARA-10

INFO OCT-01 AF-08 EA-07 EUR-12 NEA-10 IO-13 FEA-01
ERDA-05 AID-05 CEA-01 CIAE-00 COME-00 DODE-00
EB-08 FPC-01 H-01 INR-07 INT-05 L-03 NSAE-00
NSC-05 OMB-01 PM-04 USIA-06 OES-06 SP-02 SS-15
STR-04 TRSE-00 ACDA-07 XMB-02 FRB-03 ISO-00 /153 W
-----021310Z 023068 /45

R 011259Z APR 77

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 7141

INFO AMEMBASSY ABU DHABI

AMEMBASSY ALGIERS

AMEMBASSY BOGOTA

AMEMBASSY DOHA

AMEMBASSY GUATEMALA

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY LAGOS

AMEMBASSY LIBREVILLE

AMEMBASSY LIMA

AMEMBASSY LONDON

AMEMBASSY MANAGUA

AMEMBASSY MANAMA

AMEMBASSY MUSCAT

AMEMBASSY PANAMA

:AMEMBASSY QUITO 2047

AMEMBASSY SAN JOSE

AMEMBASSY SAN SALVADOR

AMEMBASSY SANTO DOMINGO

AMEMBASSY TEGUCIGALPA

AMEMBASSY TEHRAN

AMEMBASSY TRIPOLI

AMEMBASSY VIENNA

AMCONSUL DHAHRAN

USINT BAGHDAD

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E.O. 11652: N/A

TAGS: ENRG, EFIN, OPEC, VE

SUBJECT: VENEZUELAN AND OPEC ASSISTANCE TO LDC'S

REF: A) CARACAS 1017; B) CARACAS 450; C) VIENNA 1786;
D) VIENNA 1618

1. EMBOFFS CALLED ON DR. GARCIA PALACIOS FINANCIAL ADVISOR TO INTERNATIONAL ECONOMIC AFFAIRS MINISTER PEREZ GUERRERO AND ALTERNATE DELEGATE TO OPEC SPECIAL FUND) TO FOLLOW UP ON EARLIER DISCUSSION CONCERNING RECENT OPEC MEETINGS IN VIENNA AND VENEZUELA'S INTENTIONS WITH RESPECT TO ITS OIL IMPORTING LATIN AMERICAN NEIGHBORS. WE WERE TOLD THAT THE GOV HAS STILL TAKEN NO UNILATERAL ACTION TO IMPLEMENT PRESIDENT PEREZ' COMMITMENT TO HELP FINANCE THE INCREASED COST OF OIL TO VENEZUELA'S ENERGY IMPORTING NEIGHBORS. GARCIA PALACIOS SAID THE GOV WAS WAITING UNTIL IT HAD CLEARER INDICATION WHICH COUNTRIES WOULD BE DESIGNATED AS OPEC SPECIAL FUND SECOND TRANCHE BENEFICIARIES AND HOW MUCH EACH WOULD BE ELIGIBLE TO RECEIVE. ONCE OPEC'S INTENTIONS ARE CLEARER, GOV EXPECTS TO ACT QUICKLY, PERHAPS THROUGH SIMPLE TRANSFER OF FUNDS TO RECIPIENT CENTRAL BANK, WITH ATTRIBUTION TO DEVELOPMENT PROJECT TO FOLLOW LATER.

2. GARCIA PALACIOS SAID NO FORMAL DECISION HAD BEEN REACHED RE CONTRIBUTION OF EACH OPEC MEMBER TO \$800 MILLION SECOND TRANCHE, ALTHOUGH IT WAS UNDERSTOOD THAT ALL THIRTEEN MEMBERS WOULD CONTRIBUTE APPROXIMATELY THE SAME AMOUNT THEY GAVE TO FIRST TRANCHE. HE CONFIRMED THAT ECUADOR WOULD PARTICIPATE IN LIMITED OFFICIAL USE

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PATE, BUT THAT AMOUNT WOULD BE TAKEN.

3. DECISION HAD BEEN REACHED IN VIENNA TO USE SOME OF SECOND TRANCHE AS CONTRIBUTION TO PROPOSED UNCTAD COMMON FUND, BUT AMOUNT NOT SPECIFIED. IN ADDITION, OPEC HAS REACHED AGREEMENT IN PRINCIPLE WITH UNDP TO COOPERATE ON DEVELOPMENT PROJECTS IN INDIVIDUAL COUNTRIES. AGAIN, DECISIONS ON AMOUNTS, MODALITIES OF ASSISTANCE, AND BENEFICIARY COUNTRIES NOT YET MADE, BUT COMMITMENT BY OPEC IS FIRM, ACCORDING TO GARCIA PALACIOS.

4. FINALLY, GARCIA PALACIOS SAID SECOND TRANCHE DISBURSEMENTS WOULD BENEFIT BROADER RANGE OF COUNTRIES THAN HAD EARLIER SPECIAL FUND DISBURSEMENTS. LIST WOULD PROBABLY INCLUDE COUNTRIES NOT NORMALLY CONSIDERED AMONG THE POOREST, BUT WHICH WERE HEAVILY DEPENDENT ON IMPORTED ENERGY. IN SUCH CASES TERMS OF LOANS WOULD BE LESS CONCESSIONARY

THAN THOSE TO POOREST COUNTRIES.
VAKY

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, LESS DEVELOPED COUNTRIES, PETROLEUM
Control Number: n/a
Copy: SINGLE
Sent Date: 01-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CARACA03217
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770114-0658
Format: TEL
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770499/aaaadipe.tel
Line Count: 118
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 6b8307ac-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 CARACAS 1017, 77 CARACAS 450, 77 VIENNA 1786
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 16-Nov-2004 12:00:00 am
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Secure: OPEN
Status: NATIVE
Subject: VENEZUELAN AND OPEC ASSISTANCE TO LDCI'S
TAGS: ENRG, EFIN, VE, OPEC
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/6b8307ac-c288-dd11-92da-001cc4696bcc
Review Markings:
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